

Check Out Charities Before You Sign That Donation Check

Beware of Scam Artists Trying to Take Advantage of Holiday Giving Spirit

Many people are in the giving mood during the holidays and will donate money to charities. Unfortunately, it's also the season when scam artists can prey on a consumer's compassion and generosity.

To avoid becoming a victim of bogus holiday charity scams, consumers should thoroughly check out charities.

Two key resources can help consumers review charities. One is the California Attorney General and the other is the Better Business Bureau's Wise Giving Alliance.

- ▶ Visit the "[Charitable Trusts](http://ag.ca.gov/charities)" section of the California Attorney General's Web site at <http://ag.ca.gov/charities> to research the charity and for tips on giving wisely. A searchable database is available on the Attorney General's Web site. Inclusion in the registry does not guarantee that the charity is legitimate or effective. But, it can tell you if the organization is current in its reporting requirements and give you access to financial records. Remember that many smaller charities are exempt from reporting requirements.
- ▶ Review the "[Tips for Charitable Giving](http://www.give.org)" on the [BBB Wise Giving Alliance](http://www.give.org) Web site: www.give.org. The BBB Wise Giving Alliance produces reports on national charities, and some local BBBs provide reports on regional charities. The reports are based on a variety of accountability standards. The BBB Wise Giving Alliance also accepts complaints about charities.



Following are some of the California Attorney General and Better Business Bureau tips for safe and smart holiday charity giving:

- **Use your head, not just your heart.** Be wary of appeals that are long on emotion but short on details about what the charity will do to address the needs of recipients.
- **Take your time.** While you may feel a sense of urgency because of the holiday, don't give in to high-pressure solicitations. Legitimate charities will respect your right to take the time you need to make up your mind. Remember that there will be opportunities to give to other charities in the future.

- **Ask questions:**
 - Who is the fundraiser and who benefits from the donation?
 - How much of your gift or contribution goes to the charity mentioned in the appeal?
 - How much goes towards administrative and fund-raising costs? (Generally, more than 50 percent of your contribution should go toward the charity.)
 - What does the charity intend to do with any excess contributions remaining after the needs of the recipients are addressed?
 - Is the donation tax-deductible, and can you get a receipt? (Remember, donations to a tax-exempt organization may not be tax-deductible.)
- **Beware of calls from charity charlatans.** They may say they are from a reputable charity and their organization may seem worthy, but it's best to ask that more information be mailed to you so you can research the charity before you decide. If the caller refuses, don't donate - simply hang up. And, most importantly, never give out your credit card or bank account number over the phone or via e-mail.
- **Be an informed giver.** Don't let solicitors talk you into fulfilling a pledge you didn't make. Rather than handing over cash or a check to a solicitor, get the address and name of the charity so you can mail a check payable to the charity directly to the charity. If you're not sure about a telephone solicitation, get the charity's phone number so you can call them directly.

In addition to the California Attorney General and Better Business Bureau resources, consumers can also consult the Federal Trade Commission's "[Charity Fraud Web Site](http://www.ftc.gov/charityfraud)" at www.ftc.gov/charityfraud, which includes a "[Charity Checklist](#)" and other helpful information.

For more [holiday consumer tips](#), ([link to 2007 pages](#)) visit the California Department of Consumer Affairs Web site at www.consumer.ca.gov.

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